

EXPLANATION OF CHANGES-NEW HECM APPLICATION

Section of the Fannie Mae 1009-New Loan Application for HECMs	Derivations from the URLA (Freddie Mac 65/Fannie Mae 1003)
Section I, "Type of Mortgage and Terms of Loan"	The loan amount, interest rate, and number of months to amortize, fields were removed from this section.
Section II, "Property Information"	The purpose of the loan, the construction and refinance sections, and the source of the downpayment fields were removed from this section. These items are not needed for a HECM loan.
Section III, "Borrower Information"	The years in school, the number of dependents, and the present and prior address fields were removed from this section. Monthly income, real estate assets and available assets fields were added to this section. This financial data is used for statistical purposes only and does not have to be verified by the lender.
Section IV, "Liens Against the Property"	Section IV and V of the URLA have been deleted. This section is used to list liens against the property.
Section V, "Total Non-Real Estate Debts"	This section is now used to list personal liabilities and replaces part of Section VI in the URLA. This section is for statistical use only and the information does not have to be verified by the lender.
Section VI, "Declarations"	This section was Section VIII on the URLA. Questions that are not relevant for the reverse mortgage customer have been omitted from this section.
Section VII, "Acknowledgment and Agreement"	This Section was Section IX on the URLA. Questions that are not relevant for the reverse mortgage customer have been omitted from this section.
Section VIII, "Information for Government Monitoring Purposes"	This Section was Section X on the URLA and has remained the same.

Residential Loan Application for Reverse Mortgages

This application is designed to be completed by the applicant(s) with the lender's assistance. Applicants should complete this form as "Borrower" or "Co-Borrower", as applicable. Co-Borrower information must be provided when a person other than the "Borrower" (including the Borrower's spouse) is a co-owner of the real property that will be used as a basis for loan qualification or the Borrower's spouse is not a co-owner of the real property that will be used as a basis for loan qualification, but the Borrower resides in a community property state or the security property is located in a community property state.

I. Type of Mortgage and Terms of Loan

Mortgage Applied for: <input type="checkbox"/> Home Keeper (Fannie Mae) <input type="checkbox"/> HECM (FHA)* <input type="checkbox"/> Other _____ (specify)	FHA Case No. (HECM)	Lender Case No.
Loan Payment Plans:		
<input type="checkbox"/> Line of Credit		
<input type="checkbox"/> Modified Term (HECM only)		
<input type="checkbox"/> Tenure		
<input type="checkbox"/> Term (HECM only)		
<input type="checkbox"/> Modified Tenure		
<input type="checkbox"/> Undecided		
*Complete HUD/VA Addendum		
Special Loan Features: <input type="checkbox"/> Equity Share <input type="checkbox"/> Other (specify): _____		
Amortization Type: <input type="checkbox"/> ARM (type): _____ (indicate monthly or annual) <input type="checkbox"/> Fixed-Rate <input type="checkbox"/> Other (explain): _____		

II. Property Information

Subject Property Address (street, city, state, county, and zip code)

Legal Description of Subject Property (attach description if necessary)

Property Title is Held in These Names: (Please list all names on property title)

No. of Units: _____	Year Built: _____	Estimate of Appraised Value: _____
Residence Type: <input type="checkbox"/> Primary Residence <input type="checkbox"/> Secondary Residence <input type="checkbox"/> Investment Property		
Property Title Held As: <input type="checkbox"/> Fee Simple <input type="checkbox"/> Life Estate <input type="checkbox"/> Leasehold (Expiration Date: _____)		
Check if title is also held as: <input type="checkbox"/> Inter Vivos (Living) Trust		

III. Borrower Information

Borrower's Name (Include Jr. or Sr., if applicable)		Co-Borrower's Name (Include Jr. or Sr., if applicable)	
Social Security Number	Date of Birth	Social Security Number	Date of Birth
Monthly Income: \$		Monthly Income: \$	
Real Estate Assets: \$		Real Estate Assets: \$	
Available Assets: \$		Available Assets: \$	
Home Phone (including area code):		Home Phone (including area code):	
Years of Residence at Present Address:		Years of Residence at Present Address:	
Marital Status: <input type="checkbox"/> Married <input type="checkbox"/> Unmarried (include single, divorced, widowed)		Marital Status: <input type="checkbox"/> Married <input type="checkbox"/> Unmarried (include single, divorced, widowed)	
Alternative Contact Person (name, address, phone):		Alternative Contact Person (name, address, phone):	

IV. Liens Against The Property

List the creditor's name, address, and account number for all liens against the property.

NOTE: This section should not be used to list all personal liabilities, only liens against the property.

Name of Creditor	Address of Creditor	Unpaid Balance
		\$
Account Number		
Name of Creditor	Address of Creditor	Unpaid Balance
		\$
Account Number		
Name of Creditor	Address of Creditor	Unpaid Balance
		\$
Account Number		
Total liens to be paid:		\$

V. Total Non-Real Estate Debts

Total Amount of Non-Real Estate Debts: \$

VI. Declarations

If you answer "Yes" to any questions a through h, please use continuation sheet for explanation.

	<u>Borrower</u>		<u>Co-Borrower</u>	
	Yes	No	Yes	No
a. Are there any outstanding judgments against you?	[]	[]	[]	[]
b. Have you filed for any bankruptcy that has not been resolved?	[]	[]	[]	[]
c. Are you a party to a lawsuit?	[]	[]	[]	[]
d. Are you presently delinquent or in default on any Federal debt or any other loan, mortgage, financial obligation, bond, or loan guarantee? [If "Yes," give details, including date, name and address of lender, FHA or VA Case number (if applicable), and reason for delinquency/default.]	[]	[]	[]	[]
e. Do you intend to occupy the property as your primary residence?	[]	[]	[]	[]
f. Are you a co-maker or endorser on a note? (Optional for HUD)	[]	[]	[]	[]
g. Are you a U.S. citizen? (Optional for HUD)	[]	[]	[]	[]
h. Are you a permanent resident alien? (Optional for HUD)	[]	[]	[]	[]

VII. Acknowledgment and Agreement

The undersigned specifically acknowledge(s) and agree(s) that: (1) the loan requested by this application will be secured by a first mortgage or deed of trust on the property described herein; (2) the property will not be used for any illegal or prohibited purpose or use; (3) all statements made in this application are made for the purpose of obtaining the loan indicated herein; (4) occupation of the property will be as indicated above; (5) verification or reverification of any information contained in the application may be made at any time by the Lender, its agents, successors and assigns, either directly or through a credit reporting agency, from any source named in this application, and the original copy of this application will be retained by the Lender, even if the loan is not approved; (6) the Lender, its agents, successors and assigns will rely on the information contained in the application and I/we have a continuing obligation to amend and/or supplement the information provided in this application if any of the material facts which I/we have represented herein should change prior to closing; (7) ownership of the loan may be transferred to successor or assign of the Lender without notice to me and/or the administration of the loan account may be transferred to an agent, successor or assign of the Lender with prior notice to me; and (8) the Lender, its agents, successors and assigns make no representations or warranties, express or implied, to the Borrower(s) regarding the property, the condition of the property, or the value of the property.

Certification: I/We certify that the information provided in this application is true and correct as of the date set forth opposite my/our signature(s) on this application and acknowledge my/our understanding that any intentional or negligent misrepresentation(s) of the information contained in this application may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United State Code, Section 1001, et seq. and liability for monetary damages to the Lender, its agents, successors and assigns, insurers and any other person who may suffer any loss due to reliance upon any misrepresentation which I/we have made on this application.

Borrower's Signature	Date	Co-Borrower's Signature	Date
X		X	

VIII. Information for Government Monitoring Purposes

The following information is requested by the Federal Government for certain types of loans related to a dwelling, in order to monitor the Lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a Lender may neither discriminate on the basis of this information, nor on whether you choose to furnish it. However, if you choose not to furnish it, under Federal regulations this Lender is required to note race and sex on the basis of visual observation or surname. If you do not wish to furnish the above information, please check the box below. (Lender must review the above material to ensure that the disclosures satisfy all requirements to which the Lender is subject under applicable state law for the particular type of loan applied for.)

Borrower

I do not wish to furnish this information

Race/National Origin:

- American Indian or Alaskan native
- Black, not of Hispanic origin
- Asian or Pacific Islander
- White, not of Hispanic origin
- Hispanic
- Other (specify) _____

Sex:

- Female
- Male

Co-Borrower

I do not wish to furnish this information

Race/National Origin:

- American Indian or Alaskan native
- Black, not of Hispanic origin
- Asian or Pacific Islander
- White, not of Hispanic origin
- Hispanic
- Other (specify) _____

Sex:

- Female
- Male

To be Completed by interviewer: This application was taken by: <input type="checkbox"/> face-to-face interview <input type="checkbox"/> by mail <input type="checkbox"/> by telephone	Interviewer's Name (print or type)	Name and Address of Interviewer's Employer
	Interviewer's Signature Date	
	Interviewer's Phone Number (incl. area code)	

NOTE: FHA insures reverse mortgages for one to four family units under various provisions of the National Housing Act. The information contained on the loan application is collected to determine eligibility for the program as well as serve as verification of the applicant's statements. The performance function of the agency will be improved by collecting this data as determinations can be made regarding the characteristics of those borrowers obtaining HECM loans. The Public Reporting Burden for this collection is estimated to average one hour per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data and completing and reviewing the collection of information. A response is required to obtain a HECM loan, but parties are not required to use this particular form. This information is covered by the Privacy Act. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Instructions for completing the residential loan application for reverse mortgages (Fannie Mae 1009) and Addendum

1. Instructions for completing the residential loan application for reverse mortgages

For the borrower's application for a Fannie Mae conventional reverse mortgage (Home Keeper Mortgage) or an FHA-insured reverse mortgage (Home Equity Conversion Mortgage, or HECM), the lender has the option of using the Residential Loan Application for Reverse Mortgage (Fannie Mae Form 1009) or the Uniform Residential Loan Application (Freddie Mac Form 65/Fannie Mae Form 1003).

For both forms, if the mortgage applied for is a HECM, the HUD/VA Addendum (HUD 92900-A) must be completed.

The Residential Loan Application for Reverse Mortgage, Fannie Mae Form 1009, must be completed as detailed below for the Home Keeper Mortgage or the HECM:

Section I. Type Of Mortgage And Terms Of Loan

Mortgage Applied for - Check the type of reverse mortgage for which application is being made: Home Keeper, HECM, or Other type of reverse mortgage. If Other is selected, the mortgage product must be specified. If HECM is selected, the HUD/VA Addendum must be completed and attached to the application.

FHA Case No. - If the mortgage applied for is a Home Keeper, this section should be left blank. If the mortgage applied for is a HECM, the FHA case number should be entered followed by the appropriate Section of the Act ADP Code for HECMs listed below:

	HUD-Processed	Direct Endorsement
Assignment/Fixed-rate	911	951
Assignment/Adjustable-rate (ARM)	912	952
Shared Premium/Fixed-rate	913	953
Shared Premium/ARM	914	954
Shared Appreciation/Fixed-rate	915	955
Shared Appreciation/ARM	916	956
Condo (Fixed)	917	957
Condo (ARM)	918	958

Lender Case No. - Indicate the case number assigned by the lender. This case number can be any combination of letters and numbers, as determined by the lender.

Loan Payment Plans - Indicate the payment plan in which the applicant is interested. The applicant can change the payment plan selection at closing.

Special Loan Features - The Equity Share Option is only available under the Home Keeper Mortgage. Other special loan features pertaining to specific reverse mortgage products must be detailed in the space provided.

Amortization Type - Indicate either fixed-rate or adjustable-rate (ARM) amortization. If ARM is selected, indicate if the adjustment will occur monthly or annually.

Section II. Property Information

Subject Property Address - The address of the applicant's primary residence—including the county name and the zip code—should be entered.

Legal Description of Subject Property - Enter the legal description of the property as shown on the title insurance commitment or survey. The legal description may be attached to the loan application if it is lengthy.

No. of Units - Enter the number of family units on the subject property. For example, "1" would be used to indicate a single-family property, "2" would indicate a duplex, etc.

Year Built - Indicate the year the property was constructed.

Estimate of Appraised Value - Enter an estimate of the property value. (An exact valuation is not necessary as verification will occur during the property appraisal process.)

Residence Type - Primary residence must be checked. Check primary residence and investment property if applicant resides in a multi-unit property with rental tenants.

Property Title is Held in These Names - List names of all titleholders to the property.

Property Title Held As - Identify how the property rights are held: fee simple, life estate, or leasehold estate. If leasehold estate is selected, enter the expiration date of the lease. If title is also held as an inter vivos (living) trust, check the corresponding box.

Section III. Borrower Information

Borrower's Name - Indicate the full legal name of the applicant, as the titleholder to the subject property.

Co-Borrower's Name - Indicate the full legal name of the co-applicant, if also a titleholder to the subject property.

Social Security Number - Enter the applicant's social security number, and co-applicant's social security number, if applicable.

Date of Birth - Enter the applicant's birth date, and co-applicant's birth date, if applicable.

Monthly Income - Enter the applicant's monthly income, and co-applicant's monthly income, if applicable.

Real Estate Assets - Enter total value of applicant's real estate assets.

Available Assets - Enter the amount of the applicant's available (liquid) assets.

Home Phone - Enter the applicant's home phone number, and co-applicant's home phone number, if applicable. Include the area code for each phone number.

Years of Residence at Present Address - Enter the number of years the applicant has resided at the subject property address. Provide the same information for the co-applicant, if applicable.

Marital Status - Check the box that represents the applicant's marital status. If separated but not divorced, the "Married" box should be selected. Provide the same information for the co-applicant, if applicable.

Alternative Contact Person - If the application is for a Home Keeper Mortgage, provide the name, home address, and telephone number for a family member, friend, or advisor to the applicant. The contact person should be someone who has access to and/or maintains regular communication with the applicant. Provide the same information for the co-applicant, if applicable. (This information is optional for the HECM loan.)

Section IV. Liens Against The Property

The applicant must provide information on unpaid liens against the property. The name and address of the creditor(s), as well as the lien account number(s) and balance(s) owed, must be completed. The total unpaid balance of these property liens should be totalled and entered in the space provided.

Section V. Non-real Estate Debts

List the total of all debts not related to real estate.

Section VI. Declarations

The applicant and co-applicant, if applicable, must complete blocks a. through f., using "Yes" or "No" as responses. Block d. requires a detailed explanation if the response is affirmative. Blocks f., g., and h. are not required for HECM application.

Section VII. Acknowledgment And Agreement

The applicant and co-applicant, if applicable, should read this section carefully, indicate the date of signature, and sign in the pertinent blocks.

Section VIII. Information For Government Monitoring Purposes

These blocks must be completed. If the borrower chooses not to furnish any or all of this information, Federal Regulations require that the lender note that choice on the application. Federal Regulations also require the lender to note the race or national origin and sex of the applicant on the basis of visual observation or surname. This information is collected, in part, for the Home Mortgage Disclosure Act (HMDA).

2. Instructions for completing the HUD/VA Addendum (Form 92900-A)

The HUD/VA Addendum (92900-A) consists of five (5) pages, the first four of which must be completed. These four pages contain statutory and regulatory information and certifications and should be completed, signed, and dated, and included in the case binder. For lenders who are not approved for direct endorsement or have pre-closing status, the documentation should be completed, signed and included in the case binder at the time of submission for firm commitment. Page five may be omitted since it is the Veteran's Administration Commitment for Guaranty and is not applicable. A copy of the Addendum must be provided to the borrower. The instructions listed below relate to completing the Addendum for the HECM Program.

PART I - Identifying Information

Section of the Act (Block 4) - Enter the same code that follows the FHA case number in Section I of the loan application.

Loan Amount (Block 7) - The principal limit should be entered in this block.

Interest Rate (Block 8) - The Expected Average Mortgage Interest Rate ("expected rate") should be entered in this block.

Blocks 9, 10, 12a., 12b., and 20 should not be completed.

HUD/VA Addendum to Uniform Residential Loan Application

OMB Approval Numbers VA: 2900-0144
HUD: 2502-0059 (exp. 7/31/2000)

Part I - Identifying Information (mark the type of application)		2. Agency Case No: (include any suffix)	3. Lender's Case No:	4. Section of the Act : (for HUD cases)
1. <input type="checkbox"/> VA Application for Home Loan Guaranty <input type="checkbox"/> HUD/FHA Application for Insurance under the National Housing Act				
5. Borrower's Name & Present Address: (Include zip code)		7. Loan Amount (include the UFMP if for HUD or Funding Fee if for VA) \$	8. Interest Rate: %	9. Proposed Maturity: yrs. mos.
6. Property Address: (including name of subdivision, lot & block no. & zip code):		10. Discount Amount: (only if borrower is permitted to pay) \$	11. Amount of Up Front Premium: \$	12a. Amount of Annual Premium: \$ / mo.
				12b. Term of Annual Premium: months
		13. Lender's I.D. Code:	14. Sponsor / Agent I.D. Code:	
15. Lender's Name & Address: (include zip code)		16. Name & Address of Sponsor / Agent :		
Type or Print all entries clearly		17. Lender's Telephone Number: ()		

VA: The veteran and the lender hereby apply to the Secretary of Veterans Affairs for Guaranty of the loan described here under Section 3710, Chapter 37, Title 38, United States Code, to the full extent permitted by the veteran's entitlement and severally agree that the Regulations promulgated pursuant to Chapter 37, and in effect on the date of the loan shall govern the rights, duties, and liabilities of the parties.

18. First Time Homebuyer? a. <input type="checkbox"/> Yes b. <input type="checkbox"/> No	19. VA Only : Title will be Vested in: <input type="checkbox"/> Veteran <input type="checkbox"/> Veteran & Spouse <input type="checkbox"/> Other (specify) :	20. Purpose of Loan (blocks 9 - 12 are for VA loans only)												
		<table style="width:100%;"> <tr> <td>1) <input type="checkbox"/> Purchase Existing Home Previously Occupied</td> <td>7) <input type="checkbox"/> Construct Home (proceeds to be paid out during construction)</td> </tr> <tr> <td>2) <input type="checkbox"/> Finance Improvements to Existing Property</td> <td>8) <input type="checkbox"/> Finance Co-op Purchase</td> </tr> <tr> <td>3) <input type="checkbox"/> Refinance (Refi.)</td> <td>9) <input type="checkbox"/> Purchase Permanently Sited Manufactured Home</td> </tr> <tr> <td>4) <input type="checkbox"/> Purchase New Condo. Unit</td> <td>10) <input type="checkbox"/> Purchase Permanently Sited Manufactured Home & Lot</td> </tr> <tr> <td>5) <input type="checkbox"/> Purchase Existing Condo. Unit</td> <td>11) <input type="checkbox"/> Refi. Permanently Sited Manufactured Home to Buy Lot</td> </tr> <tr> <td>6) <input type="checkbox"/> Purchase Existing Home Not Previously Occupied</td> <td>12) <input type="checkbox"/> Refi. Permanently Sited Manufactured Home/Lot Loan</td> </tr> </table>	1) <input type="checkbox"/> Purchase Existing Home Previously Occupied	7) <input type="checkbox"/> Construct Home (proceeds to be paid out during construction)	2) <input type="checkbox"/> Finance Improvements to Existing Property	8) <input type="checkbox"/> Finance Co-op Purchase	3) <input type="checkbox"/> Refinance (Refi.)	9) <input type="checkbox"/> Purchase Permanently Sited Manufactured Home	4) <input type="checkbox"/> Purchase New Condo. Unit	10) <input type="checkbox"/> Purchase Permanently Sited Manufactured Home & Lot	5) <input type="checkbox"/> Purchase Existing Condo. Unit	11) <input type="checkbox"/> Refi. Permanently Sited Manufactured Home to Buy Lot	6) <input type="checkbox"/> Purchase Existing Home Not Previously Occupied	12) <input type="checkbox"/> Refi. Permanently Sited Manufactured Home/Lot Loan
1) <input type="checkbox"/> Purchase Existing Home Previously Occupied	7) <input type="checkbox"/> Construct Home (proceeds to be paid out during construction)													
2) <input type="checkbox"/> Finance Improvements to Existing Property	8) <input type="checkbox"/> Finance Co-op Purchase													
3) <input type="checkbox"/> Refinance (Refi.)	9) <input type="checkbox"/> Purchase Permanently Sited Manufactured Home													
4) <input type="checkbox"/> Purchase New Condo. Unit	10) <input type="checkbox"/> Purchase Permanently Sited Manufactured Home & Lot													
5) <input type="checkbox"/> Purchase Existing Condo. Unit	11) <input type="checkbox"/> Refi. Permanently Sited Manufactured Home to Buy Lot													
6) <input type="checkbox"/> Purchase Existing Home Not Previously Occupied	12) <input type="checkbox"/> Refi. Permanently Sited Manufactured Home/Lot Loan													

Part II - Lender's Certification

21. The undersigned lender makes the following certifications to induce the Department of Veterans Affairs to issue a certificate of commitment to guarantee the subject loan or a Loan Guaranty Certificate under Title 38, U.S. Code, or to induce the Department of Housing and Urban Development - Federal Housing Commissioner to issue a firm commitment for mortgage insurance or a Mortgage Insurance Certificate under the National Housing Act.

- A. The loan terms furnished in the Uniform Residential Loan Application and this Addendum are true, accurate and complete.
- B. The information contained in the Uniform Residential Loan Application and this Addendum was obtained directly from the borrower by a full-time employee of the undersigned lender or its duly authorized agent and is true to the best of the lender's knowledge and belief.
- C. The credit report submitted on the subject borrower (and co-borrower, if any) was ordered by the undersigned lender or its duly authorized agent directly from the credit bureau which prepared the report and was received directly from said credit bureau.
- D. The verification of employment and verification of deposits were requested and received by the lender or its duly authorized agent without passing through the hands of any third persons and are true to the best of the lender's knowledge and belief.

E. The Uniform Residential Loan Application and this Addendum were signed by the borrower after all sections were completed.

F. This proposed loan to the named borrower meets the income and credit requirements of the governing law in the judgment of the undersigned.

G. To the best of my knowledge and belief, I and my firm and its principals: (1) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency; (2) have not, within a three-year period preceding this proposal, been convicted of or had a civil judgment rendered against them for (a) commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; (b) violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; (3) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph G(2) of this certification; and (4) have not, within a three-year period preceding this application/proposal, had one or more public transactions (Federal, State or local) terminated for cause or default.

Items "H" through "J" are to be completed as applicable for VA loans only.

H. The names and functions of any duly authorized agents who developed on behalf of the lender any of the information or supporting credit data submitted are as follows:

Name & Address :	Function : (e.g., obtained information on the Uniform Residential Loan Application, ordered credit report, verifications of employment, deposits, etc.)
------------------	---

If no agent is shown above, the undersigned lender affirmatively certifies that all information and supporting credit data were obtained directly by the lender.

I. The undersigned lender understands and agrees that it is responsible for the omissions, errors, or acts of agents identified in item H as to the functions with which they are identified.

J. The proposed loan conforms otherwise with the applicable provisions of Title 38, U.S. Code, and of the regulations concerning guaranty or insurance of loans to veterans.

Signature & Title of Officer of Lender :	Date :
X	

Part III - Notices to Borrowers: Public reporting burden for this collection of information is estimated to average 6 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection information unless that collection displays a valid OMB control number.

Privacy Act Information The information requested on the Uniform Residential Loan Application and this Addendum is authorized by 38 U.S.C. 3710 (if for DVA) and 12 U.S.C. 1701 et seq. (if for HUD/FHA). The Debt Collection Act of 1982, Pub. Law 97-365, and HUD's Housing and Community Development Act of 1987, 42 U.S.C. 3543, require persons applying for a federally insured or guaranteed loan to furnish his/her social security number (SSN). You must provide all the requested information, including your SSN. HUD and/or VA may conduct a computer match to verify the information you provide. HUD and/or VA may disclose certain information to Federal, State and local agencies when relevant to civil, criminal, or regulatory investigations and prosecutions. It will not otherwise be disclosed or released outside of HUD or VA, except as required and permitted by law. The information will be used to determine whether you qualify as a mortgagor. Any disclosure of information outside VA or HUD/FHA will be made only as permitted by law. Failure to provide any of the requested information, including SSN, may result in disapproval of your loan application.

This is notice to you as required by the Right to Financial Privacy Act of 1978 that VA or HUD/FHA has a right of access to financial records held by financial institutions in connection with the consideration or administration of assistance to you. Financial records involving your transaction will be available to VA and HUD/FHA without further notice or authorization but will not be disclosed or released by this institution to another Government Agency or Department without your consent except as required or permitted by law.

Caution Delinquencies, defaults, foreclosures and abuses of mortgage loans involving programs of the Federal Government can be costly and detrimental to your credit, now and in the future. The lender in this transaction, its agents and assigns as well as the Federal Government, its agencies, agents and assigns, are authorized to take any and all of the following actions in the event loan payments become delinquent on the mortgage loan described in the attached application: (1) Report your name and account information to a credit bureau; (2) Assess additional interest and penalty charges for the period of time that payment is not made; (3) Assess charges to cover additional administrative costs incurred by the Government to service your account; (4) Offset amounts owed to you under other Federal programs; (5) Refer your account to a private attorney, collection agency or mortgage servicing agency to collect the amount due, foreclose the mortgage, sell the property and seek judgment against you for any deficiency; (6) Refer your account to the Department of Justice for litigation in the courts; (7) If you are a current or retired Federal employee, take action to offset your salary, or civil service retirement benefits; (8) Refer your debt to the Internal Revenue Service for offset against any amount owed to you as an income tax refund; and (9) Report any resulting written-off debt of yours to the Internal Revenue Service as your taxable income. All of these actions can and will be used to recover any debts owed when it is determined to be in the interest of the lender and/or the Federal Government to do so.

Part IV - Borrower Certification

22. Complete the following for a HUD/FHA Mortgage .	Is it to be sold?	22b. Sales Price	22c. Original Mortgage Amount
22a. Do you own or have you sold other real estate within the past 60 months on which there was a HUD/FHA mortgage? <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	\$

22d. Address:

22e. If the dwelling to be covered by this mortgage is to be rented, is it a part of, adjacent or contiguous to any project subdivision or group of concentrated rental properties involving eight or more dwelling units in which you have any financial interest? Yes No If "Yes" give details.

22f. Do you own more than four dwellings ? Yes No If "Yes" submit form HUD-92561.

23. Complete for VA-Guaranteed Mortgage . Have you ever had a VA home Loan? Yes No

24. Applicable for Both VA & HUD. As a home loan borrower, you will be legally obligated to make the mortgage payments called for by your mortgage loan contract. The fact that you dispose of your property after the loan has been made **will not relieve you of liability for making these payments. Payment of the loan in full is ordinarily the way liability on a mortgage note is ended.** Some home buyers have the mistaken impression that if they sell their homes when they move to another locality, or dispose of it for any other reasons, they are no longer liable for the mortgage payments and that liability for these payments is solely that of the new owners. Even though the new owners may agree in writing to assume liability for your mortgage payments, this assumption agreement will not relieve you from liability to the holder of the note which you signed when you obtained the loan to buy the property. Unless you are able to sell the property to a buyer who is acceptable to VA or to HUD/FHA and who will assume the payment of your obligation to the lender, you will not be relieved from liability to repay any claim which VA or HUD/FHA may be required to pay your lender on account of default in your loan payments. **The amount of any such claim payment will be a debt owed by you to the Federal Government.** This debt will be the object of established collection procedures.

25. I, the Undersigned Borrower(s) Certify that:

(1) I have read and understand the foregoing concerning my liability on the loan and Part III Notices to Borrowers.

(2) **Occupancy:** (for VA only -- mark the applicable box)

(a) I now actually occupy the above-described property as my home or intend to move into and occupy said property as my home within a reasonable period of time or intend to reoccupy it after the completion of major alterations, repairs or improvements.

(b) My spouse is on active military duty and in his or her absence, I occupy or intend to occupy the property securing this loan as my home.

(c) I previously occupied the property securing this loan as my home. (for interest rate reductions)

(d) While my spouse was on active military duty and unable to occupy the property securing this loan, I previously occupied the property that is securing this loan as my home. (for interest rate reduction loans)

Note: If box 2b or 2d is checked, the veteran's spouse must also sign below.

(3) Mark the applicable box (not applicable for Home Improvement or Refinancing Loan) I have been informed that (\$) is:

the reasonable value of the property as determined by VA or;

the statement of appraised value as determined by HUD / FHA.

Note: If the contract price or cost exceeds the VA "Reasonable Value" or HUD/FHA "Statement of Appraised Value", mark either item (a) or item (b), whichever is applicable.

(a) I was aware of this valuation when I signed my contract and I have paid or will pay in cash from my own resources at or prior to loan closing a sum equal

to the difference between the contract purchase price or cost and the VA or HUD/FHA established value. I do not and will not have outstanding after loan closing any unpaid contractual obligation on account of such cash payment;

(b) I was not aware of this valuation when I signed my contract but have elected to complete the transaction at the contract purchase price or cost. I have paid or will pay in cash from my own resources at or prior to loan closing a sum equal to the difference between contract purchase price or cost and the VA or HUD/FHA established value. I do not and will not have outstanding after loan closing any unpaid contractual obligation on account of such cash payment.

(4) Neither I, nor anyone authorized to act for me, will refuse to sell or rent, after the making of a bona fide offer, or refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny the dwelling or property covered by his/her loan to any person because of race, color, religion, sex, handicap, familial status or national origin. I recognize that any restrictive covenant on this property relating to race, color, religion, sex, handicap, familial status or national origin is illegal and void and civil action for preventive relief may be brought by the Attorney General of the United States in any appropriate U. S. District Court against any person responsible for the violation of the applicable law.

(5) All information in this application is given for the purpose of obtaining a loan to be insured under the National Housing Act or guaranteed by the Department of Veterans Affairs and the information in the Uniform Residential Loan Application and this Addendum is true and complete to the best of my knowledge and belief. Verification may be obtained from any source named herein.

(6) **For HUD Only** (for properties constructed prior to 1978) I have received information on lead paint poisoning. Yes Not Applicable

(7) **I am aware that neither HUD/FHA nor VA warrants the condition or value of the property**

Signature(s) of Borrower(s) -- **Do not sign** unless this application is fully completed. Read the certifications carefully & review accuracy of this application. Date :

X
Federal statutes provide severe penalties for any fraud, intentional misrepresentation, or criminal connivance or conspiracy purposed to influence the issuance of any guaranty or insurance by the VA Secretary or the HUD/FHA Commissioner.

Direct Endorsement Approval for a HUD/FHA-Insured Mortgage

U.S. Department of Housing and Urban Development

Part I - Identifying Information (mark the type of application)		2. Agency Case No: (include any suffix)	3. Lender's Case No:	4. Section of the Act : (for HUD cases)
1 <input type="checkbox"/> HUD/FHA Application for Insurance under the National Housing Act				
5. Borrower's Name & Present Address: (Include zip code)		7. Loan Amount (include the UFMIP): \$	8. Interest Rate: %	9. Proposed Maturity: yrs. mos.
6. Property Address: (including name of subdivision, lot & block no. & zip code):		10. Discount Amount: (only if borrower is permitted to pay) \$	11. Amount of Up Front Premium: \$	12a. Amount of Annual Premium: \$ / mo.
				12b. Term of Annual Premium: months
		13. Lender's I.D. Code:		14. Sponsor / Agent I.D. Code:
15. Lender's Name & Address: (include zip code)		16. Name & Address of Sponsor / Agent :		
Type or Print all entries clearly		17. Lender's Telephone Number: ()		

Approved: Approved subject to the additional conditions stated below, if any.
 Date Mortgage Approved : _____ Date Approval Expires: _____

<input type="checkbox"/> Modified & Approved as follows:	Loan Amount (include UFMIP): \$	Interest Rate: %	Proposed Maturity: Yrs. Mos	Monthly Payment: \$	Amount of Up front Premium: \$	Amount of Annual Premium: \$	Term of Annual Premium: months
---	------------------------------------	---------------------	--------------------------------	------------------------	-----------------------------------	---------------------------------	-----------------------------------

Additional Conditions:

- Form HUD-92544, Builder's Warranty is required.
- Owner-Occupancy **Not** required (delete item b of the borrower's Certification on the back of this sheet).
- The property is to be insured under Section 221(d)(2); a code compliance inspection is required.
- If this is proposed construction, the builder has certified compliance with HUD requirements on form HUD-92541.
- The property has a 10-year warranty.
- The mortgage is a high loan-to-value ratio for non-occupant mortgagor in military.
- Other: (specify) _____

- This mortgage was rated as an "accept" by a FHA-approved automated underwriting system. As such, the undersigned representative of the mortgagee certifies to the integrity of the data supplied by the lender used to determine the quality of the loan, that a Direct Endorsement Underwriter reviewed the appraisal (if applicable) and further certifies that this mortgage is eligible for HUD mortgage insurance under the Direct Endorsement program. I hereby make all certifications required for this mortgage as set forth in HUD Handbook 4000.4

Mortgagee Representative: _____

FHA-Approved Automated Underwriting System: _____

- This mortgage was rated as a "refer" or "caution" by a FHA-approved automated underwriting system, and/or was manually underwritten by a Direct Endorsement underwriter. As such, the undersigned Direct Endorsement underwriter certifies that I have personally reviewed the appraisal report (if applicable), credit application, and all associated documents and have used due diligence in underwriting this mortgage. I find that this mortgage is eligible for HUD mortgage insurance under the Direct Endorsement program and I hereby make all certifications required for this mortgage as set forth in HUD Handbook 4000.4

Direct Endorsement Underwriter: _____

FHA-Approved AUS (if appropriate): _____

DE's CHUMS ID Number: _____

The Mortgagee does does not have a financial interest in or a relationship, by affiliation or ownership, with the builder or seller involved in this transaction.

This certifies, in compliance with the Right to Financial Privacy Act of 1978, that, in connection with any subsequent request for access to financial records for the purpose of considering or administering assistance to this applicant, the Department of Housing and Urban Development is in compliance with the applicable provisions of said act.

Borrower's Certificate The undersigned certifies that:

- (a) I will not have outstanding any other unpaid obligations contracted in connection with the mortgage transaction or the purchase of the said property except obligations which are secured by property or collateral owned by me independently of the said mortgaged property, or obligations approved by the Commissioner;
- (b) One of the undersigned intends to occupy the subject property, (note: delete this item if owner-occupancy is not required by the commitment);
- (c) All charges and fees collected from me as shown in the settlement statement have been have been paid by my own funds, and no other charges have been or will be paid by me in respect to this transaction;
- (d) Neither I, nor anyone authorized to act for me, will refuse to sell or rent, after the making of a bona fide offer, or refuse to negotiate for the sale or rental of or otherwise make unavailable or deny the dwelling or property covered by this loan to any person because of race, color, religion, sex, handicap, familial status or national origin. I recognize that any restrictive covenant on this property relating to race, color, religion, sex, handicap, familial status or national origin is illegal and void and any such covenant is hereby specifically disclaimed. I understand that civil action for preventative relief may be brought by the Attorney General of the United States in any appropriate U.S. District Court against any person responsible for a violation of this certificate.

Borrower(s) Signature(s) & Date :

X

Lender's Certificate The undersigned certifies that to the best of its knowledge:

- (a) The statements made in its application for insurance and in this Certificate are true and correct;
- (b) The conditions listed above or appearing in any outstanding commitment issued under the above case number have been fulfilled;
- (c) Complete disbursement of the loan has been made to the borrower, or to his/her creditors for his/her account and with his/her consent;
- (d) The security instrument has been recorded and is a good and valid first lien on the property described;
- (e) No charge has been made to or paid by the borrower except as permitted under HUD regulations;
- (f) The copies of the credit and security instruments which are submitted herewith are true and exact copies as executed and filed for record;
- (g) It has not paid any kickbacks, fee or consideration of any type, directly or indirectly, to any party in connection with this transaction except as permitted under HUD regulations and administrative instructions.

I, the undersigned, as authorized representative of _____, mortgagee at this time of closing of this mortgage loan, certify that I have personally reviewed the mortgage loan documents, closing statements, application for insurance endorsement, and all accompanying documents. I hereby make all certifications required for this mortgage as set forth in HUD Handbook 4000.4.

Lender's Name:	Note: If the approval is executed by an agent in the name of lender, the agent must enter the lender's code number and type.	
Signature & Title of Lender's Officer & Date :	Code Number: (5 digits)	Type:

X